

Topline Report

Drug plan formularies and restrictions can have a negative impact on the health of many older Americans.

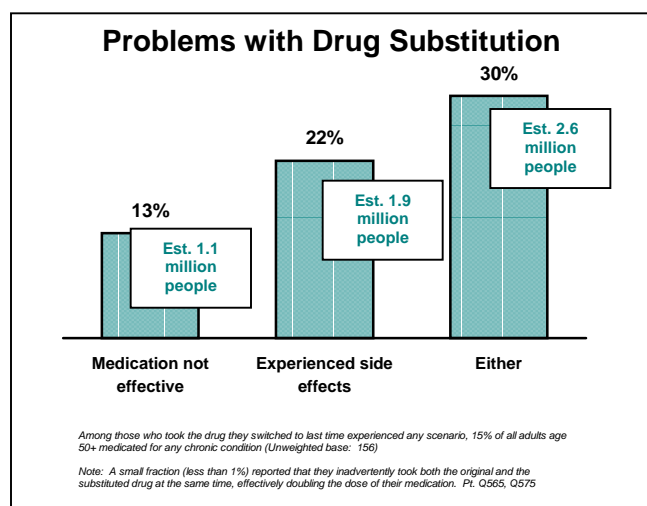
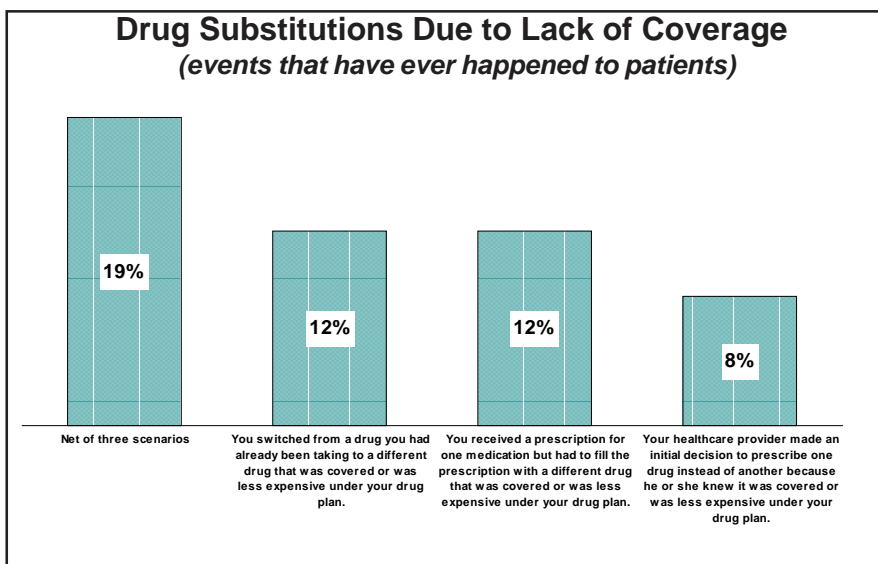
- 19% of older Americans age 50 and older who take prescription medication for chronic conditions have, at one time or another, had at least one of the following experiences:

- Switched from a drug they had already been taking to a different drug that was covered or was less expensive under their drug plan (12%);
- Received a prescription for one medication but had to fill the prescription with a different drug that was covered or was less expensive under their drug plan (12%);
- Healthcare provider decided to prescribe a particular drug because he or she knew it was covered or was less expensive under their drug plan (8%).

- These experiences are not once-in-a-lifetime events. Those reporting the occurrence of each of the three scenarios say they happened from 1.5 to 2 times on average during the past year.

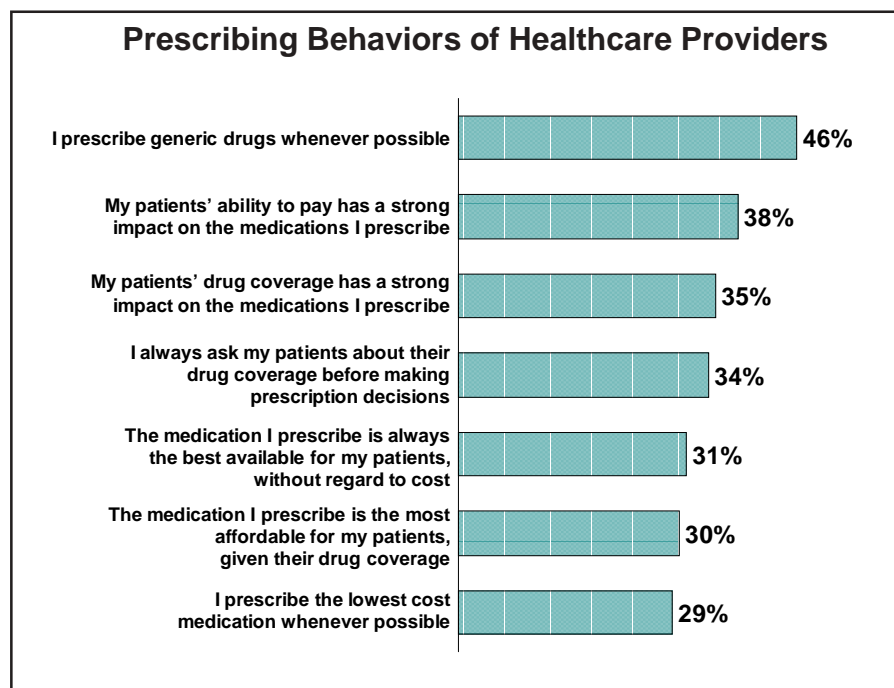
The findings suggest that over a million older Americans experience negative health outcomes resulting from drug formulary substitutions.

- 13% of those who took the substitute medication (an estimated 1.1 million people) report the new drug was ineffective in treating their condition.
- 22% of those who took the substitute medication (an estimated 1.9 million people) experienced side effects from the new medication.
- Of the 58% of patients who had more than mild side effects or found the substituted medication to be ineffective, one-third required a separate medication to treat the side effect.



Healthcare Providers Often Consider Cost When Prescribing Medications

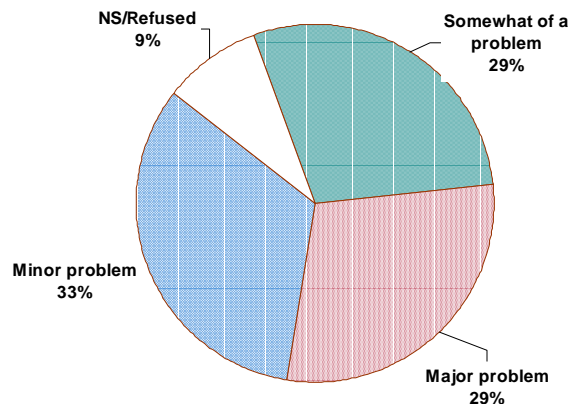
- Nearly 9 in 10 healthcare providers report that they have prescribed a drug, or switched to a drug, for patients age 50 and older that they would not have chosen had it not been for issues related to the patient's ability to pay.
- In the past year, healthcare providers substituted a more affordable drug for the one they would have preferred to prescribe for an average of 19% of their patients age 50 and older.
 - For 23% of that group of patients (or about 4% of patients age 50 and older), the patient was stable on the preferred drug when the substitution was prescribed.
 - For nearly half of those patients for whom healthcare providers substituted a drug, the preferred drug was either not on their plan's formulary or was too expensive.
- When considering which medications to prescribe:
 - 38% of healthcare providers state that the patients' ability to pay has a strong impact on the medications they prescribe.
 - 35% of healthcare providers agree that their patients' drug coverage has a strong impact on what they prescribe.
 - 34% of healthcare providers indicate that they always ask their patients about their drug coverage before prescribing medications.
 - 30% of healthcare providers agree that the medications they prescribe are the most affordable under patients' health plans.



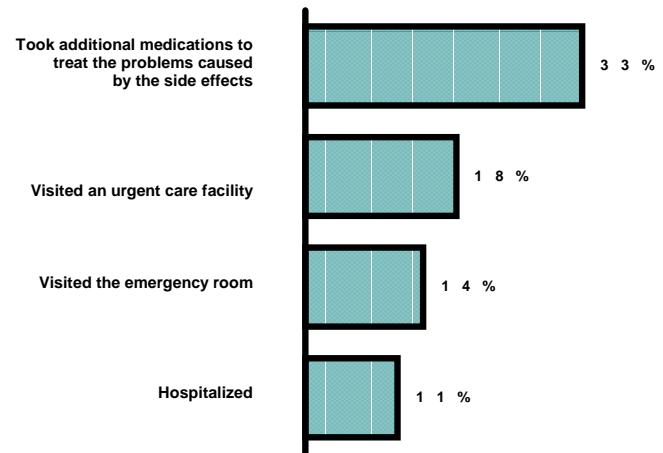
Some patients experience serious problems from drug formulary substitutions.

- Among people who said that a drug formulary substitution caused side effects that were either 'major' or 'somewhat of a' problem:
 - 18% had to visit an urgent care facility;
 - 14% had to visit the emergency room; and
 - 11% had to be hospitalized.

Severity of Problem



Serious Problems



Among those who saw lack of efficacy or side-effects as "major" or "somewhat of a" problem (caution, small base = 28)

Our survey found that a startling 23% of healthcare providers agree that 'drug formularies threaten the health of older Americans.'

- 78% of healthcare providers feel that they should be the ones to decide on what medications to prescribe to their patients.

Patients who are already burdened with health problems can experience an added set of 'hassles' from drug substitutions.

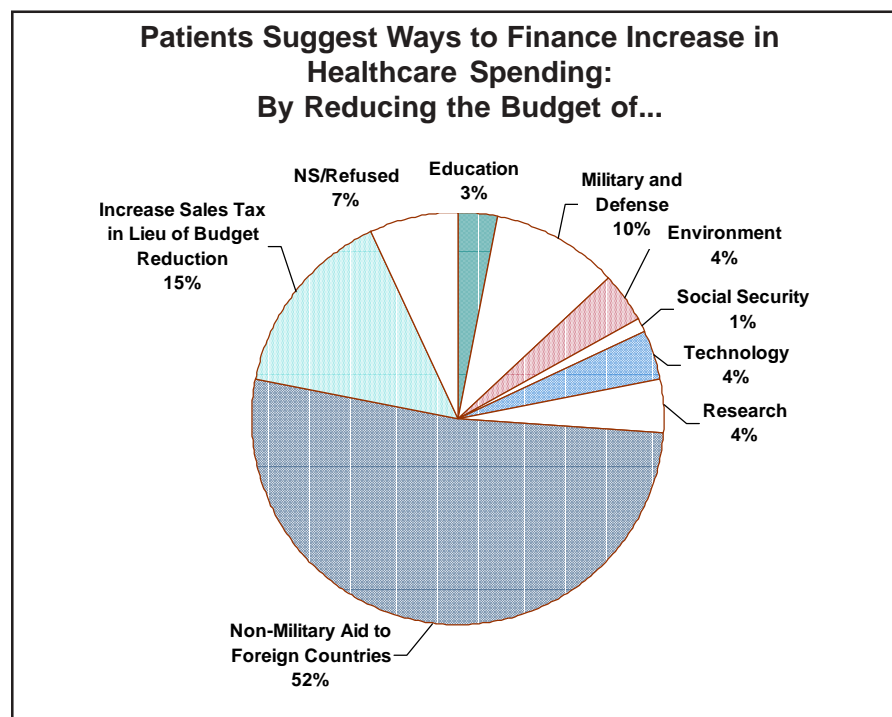
- 53% (an estimated 4.6 million people) were inconvenienced by having their medication switched:
 - 38% made extra phone calls to their healthcare provider;
 - 28% made extra trips to see their healthcare provider;
 - 28% made extra trips to the pharmacy; and
 - 19% made extra phone calls to the pharmacy.

For patients who have had a drug formulary substitution in the past year, it cost an average of \$58.50 per person in additional out-of-pocket spending.

- This translates to a cost of over \$500 million to older Americans per year.
- Four out of 10 healthcare providers agree that formularies and other restrictions on prescription drugs end up costing the healthcare system more in the long run.

Patients who were given a drug formulary substitution more likely to favor unlimited prescription drug coverage.

- If the government added a prescription drug benefit to Medicare:
 - 86% of people who have had a drug formulary substitution would more likely favor unlimited prescription drug coverage, which would cost the government more, but would give seniors access to the medicines they need but may not otherwise be able to afford, compared to 76% of all older Americans who would favor the same benefit; and
 - 8% of people who have had a drug formulary substitution would more likely favor limited prescription drug coverage, which would cost the government less, but would potentially exclude or limit the ability of some seniors to the medicines they need, compared to 15% of all older Americans who would favor the same benefit.



Methodology

In April 2002, Harris Interactive interviewed 1,001 adults age 50 and older who reported that they take prescription medication for at least one chronic condition. Survey respondents were identified in random samples of U.S. adults from previous Harris Interactive telephone surveys (approximately 72.4% of all adults age 50 and older). Interviews were conducted by telephone via a computer-assisted telephone interviewing (CATI) system.

Harris Interactive also conducted an online survey of 324 primary care physicians and specialists treating older adults, and who spend at least half of their time in outpatient care. These healthcare providers were sampled randomly from the American Medical Association membership list.

The results of any survey are subject to sampling variation. The magnitude of this variation is measurable and is a function of both the number of interviews and the level of the percentage result in question. For a sample of 1,001, maximum sampling variation (i.e., for a 50% response) is + or – 3 percentage points at the 95% confidence level. For a sample of 324, maximum sampling variation (i.e., for a 50% response) is + or – 5 percentage points at the 95% confidence level.

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